

Message Text

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ACTION EUR-12

INFO OCT-01 IO-11 ISO-00 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04

TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 NSC-05 SS-15

SAJ-01 DODE-00 PM-04 H-02 L-03 PA-01 PRS-01 USIA-06

ACDA-05 FEA-01 ERDA-05 OES-03 /113 W

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INFO AMEMBASSY BELGRADE

AMEMBASSY BERLIN

AMEMBASSY BONN

USMISSION EC BRUSSELS

AMEMBASSY BRUSSELS

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMCONSUL LENINGRAD

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

USMISSION NATO

AMEMBASSY GENEVA

USMISSION OECD PARIS

AMEMBASSY PARIS

AMEMBASSY PRAGUE

AMEMBASSY ROME

AMEMBASSY SOFIA

AMEMBASSY THE HAGUE

AMEMBASSY WARSAW

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TAGS: ETRD, ENRG, ECIN, EALR, EEC, COMECON, PFOR, GE, LU

SUBJECT: CEMA-EEC CONTACTS: SOVIET FOREIGN MINISTRY VIEWS

REF: MOSCOW 2336, MOSCOW 2245

1. SUMMARY - A.Y. NESTORENKO, CHIEF OF THE SOVIET MFA'S DEPARTMENT FOR INTERNATIONAL ECONOMIC ORGANIZATIONS, GAVE ME HIS VIEWS ON THE CURRENT CEMA APPROACH TO THE EC DURING MY CALL ON FEBRUARY 17. HE APPEARED TO BE OPTIMISTIC ABOUT THE NEW "CEMA INITIATIVE" WHICH HE REGARDS AS NECESSARY TO GET MATTERS MOVING AFTER LAST YEAR'S INITIAL CONTACTS WHICH, HE IMPLIED, HAD BECOME BOGGED DOWN AT THE EXPERT LEVEL. HE DESCRIBED CEMA EFFORTS TO FIND COMPARABLE CEMA AND EC ADMINISTRATIVE BODIES FOR THE CONDUCT OF COMMUNICATIONS AND STRESSED THAT THE DRAFT CEMA AGREEMENT IS A SET OF GENERAL PRINCIPLES VERY SIMILAR TO THE HELSINKI FINAL ACT. IT IS A FLEXIBLE DOCUMENT AND PROVIDES A GOOD BASIS FOR FURTHER NEGOTIATIONS IN THE COURSE OF WHICH DETAILS CAN BE WORKED OUT. IT IS NOW UP TO THE EC TO RESPOND BUT NESTORENKO DOES NOT EXPECT AN EARLY REPLY. END SUMMARY

2. I MENTIONED REPORTS IN THE PRESS, AND PARTICULARLY AN ARTICLE IN PRAVDA OF THE SAME DAY, REGARDING THE NEW CEMA REQUEST FOR AN UMBRELLA OR FRAMEWORK AGREEMENT WITH THE EC AND THE VISIT TO LUXEMBOURG PRIME MINISTER THORN BY GDR DEPUTY PRIME MINISTER WEISS TO PRESENT A DRAFT CEMA PROPOSAL.

3. NESTORENKO REPLIED THAT THE INFORMATION IN THE PRESS WAS CORRECT, INCLUDING THE VARIOUS CEMA SUGGESTIONS FOR COOPERATION WHICH HAD BEEN REPORTED. HE SAID THAT ONE OF THE PURPOSES FOR THE INCREASED ATTENTION TO THIS SUBJECT IN THE SOVIET PRESS WAS "TO GET THINGS ROLLING." ABOUT A YEAR AGO FADDEYEV HAD SEEN ORTOLI AND MADE SOME INITIAL PROPOSALS FOR COOPERATION BUT THE RESULTS HAD NOT BEEN ENCOURAGING. THE EC SIDE, HE SAID, HAD WANTED TO HAVE A MEETING AT THE TECHNICAL LEVEL, BETWEEN GROUPS OF EXPERTS. HOWEVER, THIS WAS NOT VERY SATISFACTORY AS FAR AS CEMA WAS CONCERNED. MEETINGS OF EXPERTS ALWAYS TAKE A LONG TIME.

4. ANOTHER NEGOTIATING PROBLEM, ACCORDING TO NESTORENKO, HAS BEEN THE DIFFICULTY IN FINDING COMPARABLE ADMINISTRATIVE BODIES BETWEEN THE TWO ORGANIZATIONS THROUGH WHICH A PRELIMINARY DIALOGUE CAN BE INITIATED AND MAINTAINED. "WHAT MATCHES?" THE CEMA
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EXECUTIVE COMMITTEE (ISPOLKOM) IS ROUGHLY COMPARABLE TO THE EC COUNCIL OF MINISTERS. BUT THEY ARE NOT PRECISELY EQUAL. NEVERTHELESS IT WAS DECIDED TO CONDUCT CORRESPONDENCE THROUGH THESE TWO BODIES AND CONSEQUENTLY WEISS, AS CHAIRMAN OF THE CEMA EXECUTIVE COMMITTEE, WAS SENT TO SEE THORN IN HIS CAPACITY AS CHAIRMAN OF THE EC COUNCIL.

5. I ASKED NESTORENKO WHAT KIND OF A RESPONSE HE EXPECTED CEMA TO

RECEIVE FROM THE EC. AFTER FIRST REPLYING WITH TYPICAL SOVIET "OFFICIAL HUMOR" THAT HE COULD NOT BE SURE BECAUSE HE WAS NOT HIMSELF A MEMBER OF THE EUROPEAN COMMUNITY, HE COMMENTED MORE SERIOUSLY THAT HE DID NOT THINK THE EC WOULD BE IN ANY HURRY TO REPLY. IN HIS OPINION THE COMMUNITY WILL WANT TO STUDY THE CEMA PROPOSALS AND DISCUSS THEM AT LENGTH. THIS IS UNDERSTANDABLE, HE SAID, "BUT ON THE OTHER HAND WE WANT TO MOVE AHEAD AND HAVE SERIOUS TALKS."

6. NESTORENKO THEN WENT ON TO DISCUSS THE FORM OF THE DRAFT AGREEMENT WHICH HAD JUST BEEN DELIVERED TO THE EC. AS WE WOULD SEE, IT IS VERY GENERAL IN FORM. IT IS CONCERNED WITH PRINCIPLES, NOT WITH DETAILS, AND IN THIS RESPECT IT IS VERY SIMILAR TO THE HELSINKI AGREEMENT. IN FACT, HE ADDED, IT SHOULD BE REGARDED IN THE SAME LIGHT AS THE HELSINKI FINAL ACT, A SET OF GENERAL PROPOSALS, PRINCIPLES. IT IS A DOCUMENT NOW AVAILABLE FOR CONSIDERATION BY BOTH CEMA AND THE EC. IT RAISES NO NEW PROBLEMS, AND WHAT IS NOW CALLED FOR IS THE WORKING OUT OF DETAILS. IN BRIEF IT IS RIPE, "RIPE AS AN APPLE" FOR FURTHER NEGOTIATION.

7. IN RESPONSE TO MY OBSERVATION THAT THE DRAFT AGREEMENT APPEARS TO BE A FLEXIBLE DOCUMENT WHICH WILL PERMIT INDEPENDENT BILATERAL AGREEMENTS BETWEEN COUNTRIES, NESTORENKO SAID THAT THIS VIEW IS CORRECT. "OUR PROPOSAL IS VERY FLEXIBLE AS IT NOW STANDS." I SUGGESTED THAT THERE MIGHT BE A POSSIBILITY FOR INDIVIDUAL AGREEMENTS BETWEEN EC AND CEMA COUNTRIES ON SUCH SUBJECTS AS ENVIRONMENT AND ENERGY, ALTHOUGH I QUESTIONED IF THE SEPARATE EC COUNTRIES COULD MAKE AGREEMENTS ON TRADE. NESTORENKO REPLIED THAT VARIOUS SEPARATE AGREEMENTS SHOULD BE POSSIBLE, ALTHOUGH IT WAS STILL TOO EARLY TO TELL. PERHAPS "PACKAGE AGREEMENTS" WOULD BE WORKED OUT. IN ANY EVENT, ONCE AN UMBRELLA AGREEMENT IS SECURELY ESTABLISHED THERE WILL BE A GOOD BASIS FOR FURTHER NEGOTIATIONS. THE DETAILS CAN BE TAKEN CARE OF LATER. FOR THE CONFIDENTIAL

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PRESENT, HE SAID, "IT IS UP TO THE EC TO PICK UP THE GLOVE."

8. COMMENT - NESTORENKO APPEARED TO BE GENERALLY PLEASED AND EVEN MODERATELY OPTIMISTIC ABOUT THE NEW CEMA PROPOSAL AND ITS CHANCES FOR SUCCESS. PERHPAS SOME OF HIS OPTIMISM RELATED TO THE FACT THATCEMA HAD SECURED A GOOD INITIATIVE, BOTH PROPAGANDISTIC AND POLITICAL, UST BEFORE THE CPSU PARTY CONGRESS. I WAS ALSO IMPRESSED BY HIS FREQUENT USE OF THE WORDS "WE" AND "OUR" IN DISCUSSING CEMA NEGOTIATING TACTICS. ALTHOUGH CEMA IS TECHNICALLY AND VERY PUBLICLY AN "INTERNATIONAL ORGANIZATION" IN WHICH THE USSR IS ONE OF NINE FRATERNAL SOCIALIST MEMBERS, THE FICTION OF ITS FREEDOM FROM SOVIET CONTROL WEARS VERY THIN AT TIMES. IN THE CASE OF NESTORENKO'S DEPARTMENT AT THE MFA THE INTEREST IN CEMA'S RELATIONS WITH THE EC IS QUITE OBVIOUSLY MORE PROPRIETARY THAN FRATERNAL.

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